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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/007,386	10/22/2001	Seiichi Itakura	101403-6	9799

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EXAMINER

DASS, HARISH T

ART UNIT	PAPER NUMBER
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3693

DATE MAILED: 12/14/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/007,386

Applicant(s)

ITAKURA ET AL.

Examiner

Harish T. Dass

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 22 October 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-18 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-18 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Claim Rejections - 35 USC § 103

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claim 1-5, 9-13, 16 are rejected under 35 U.S.C. 103(a) as being unpatentable over Radjy et al (hereinafter Radjy – US 2002/0010525 A1) in view of Pyke (Pyke, David "Strategies for global sourcing; [Surveys edition]", Financial Times. London (UK): Feb 20, 1998. p. 05 - proquest id: 26603870, issn: 03071766).

Re. Claim 1, Radjy discloses business-to-business procurement (materials procurement), specification, submittals, and quotation using Internet (paragraph/para. 22; Figures 1, 7),

collecting transaction conditions of the materials from a plurality of material sellers [paragraphs 97 – see also concrete vendor or *supplier*], offering a sales condition presented by the selected best material-seller to a material buyer via the Internet [paragraphs 95-97], and

buying a desired material via the Internet based on said sales condition which is offered via the Internet [paragraphs 54; 95-97].

Radjy does not explicitly disclose selecting the best material-seller based on the collected transaction conditions.

Distributors (reseller, reselling, agents) are well known in every sector of the distribution channels, for example, travel agents for airlines, who is agent for many companies and provide price, time of travel and different flight information. One agent may be able to fill the specific requirement (number of seats, price, time of flight, direct flight, etc.) for a customer, while another agent may not. Similarly in manufacturing and engineering area it is known that materials/parts are purchased based on, not only the specification of material/parts but delivery, size and price, scheduled delivery, discount based on business relations, etc. For example, a manufacturer may buy 10,000 Opamps or bolds (detailed in RFQ) in span of 6 months, calls a distributors (or mail RFQ) who represents many brands and can supply 10,000 pieces of Opamps or bolds in 6 months and later negotiates the price, discount and delivery schedule and at the end the buyer emails or mails purchase order (or open ended purchase order) to seller for delivery of the pieces. An engineering firm/law office shop regularly for office supplies from different suppliers such as: OfficeMax, Office Depot, etc, and bargaining for best delivery and price on continuous bases and provide the supplier a purchase order for delivery. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Radjy and include resellers for procurement of goods/service efficiently and most cost effective.

Pyke disclose selecting (buying or decision) the best material-seller based on the collected transaction conditions [see 6 page article, specially pages 1-3 for "TPN" and best price, technology, delivery, quality and flexibility] to procure best material globally using trading network and Internet from qualified vendors. It would have been obvious

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at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Radjy and include the above features as disclosed by Pyke and known practice to procure best material globally using trading network and Internet from qualified vendors in most cost effective and efficiently using internet and global supply market.

Re. Claim 2, Radjy discloses specifying in advance, a requirement for a technical specification and a requirement for the transaction condition, concerning each item of the material [para. 24, 54],

and selecting one best material-seller for each item based on the specified requirement for the technical specification and the specified requirement for the transaction condition, concerning each item of the material [para. 91,95]

Re. Claims 3-4, Pyke further discloses selecting one best material-seller based on a carried-out technical specification of the material and a carried-out transaction condition of the material, which are offered by said material-seller candidates in response to the request [see 6 page article, specially pages 1-3 for "TPN" and best price, technology, delivery, quality and flexibility] to procure best material globally using trading network and Internet from qualified vendors.

Radjy or Pyke does not explicitly disclose selecting material-seller candidates based on a transaction history and predicting the amount of an annually purchased material,

presenting the amount of the annually purchased material to the material-seller candidates and requesting an offer of a carried-out technical specification of the material and of a carried-out transaction condition of the material; and making a yearly contract of a material transaction with the selected best material-seller, registering the material seller for the yearly contract, and the carried-out technical specification of the material and the carried-out sales condition of the material for transaction with the material seller; and performing a transaction with the material seller based on the registered content.

However, these are will known practice in supply chain area (grocery stores, automotives, etc), and procurement departments. For example, a manufacturing company such as Dell computer is buying flat screen brands based on specification, requirement, yearly purchase need, the supplier (vendor, distributor) gives Dell the list of brand it carries (LG, Sumsung, etc.) and price break as a bulk buyer and preferred customer and Dell send a purchase order to supplier as approved vendor as long term supplier. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Radjy and Pyke and include the above known features to get best price and steady shipment and the material needed based on specification and requirement globally using trading network and Internet from qualified vendors in most cost effective and efficiently using internet and global supply market.

Re. Claim 5, Radjy discloses offering the technical specifications and the sales conditions of various materials via the Internet [para. 154-155];
selecting a desired material based on the technical specifications and the sales conditions of various materials, which are offered via the Internet [claim 11];
requesting, via the Internet, a quotation (RFQ) of the selected material to said contractor for designing and selling the material [para. 95];
estimating the material, in response to the request of the quotation of the material from said material buyer, offering the estimate concerning the material to said material buyer via the Internet [para. 97 – see price and delivery quotation, where delivery quotation is the cost to buyer which includes the price, shipping and fees],
and
ordering the material to said contractor for designing and selling the material after checking the quotation offered thereby [para. 97].

Re. Claim 9, Radjy discloses a system and method for material procurement [Abstract; para. 02], collecting *means* for collecting material transaction conditions, of the material seller, which are inputted by said material-seller terminal [para. 97],
and
offering *means* for offering a sales condition of the best material-transaction condition which is selected by said selecting *means* to a material seller via the Internet, and so that said material buyer may buy a desired material via the Internet

based on the sales condition which is offered via the Internet by said offering *means* [para. 95-98].

a material-seller terminal connected to the Internet (PC, terminal, station); a material-buyer terminal connected to the Internet; and a center device connected to the Internet, are inherent in Radjy system.

Radjy does not explicitly disclose selecting *means* for selecting a best material-seller based on the material transaction conditions which are collected by said collecting *means*.

However, distributors (reseller, reselling, agents) are will known in every sector of the distribution channels, for example, travel agents for airlines, who is agent for many companies and provide price, time of travel and different flight information. One agent may be able to fill the specific requirement (number of seats, price, time of flight, direct flight, etc.) for a customer, while another agent may not. Similarly in manufacturing and engineering area it is known that materials/parts are purchased based on, not only the specification of material/parts but delivery, size and price, scheduled delivery, discount based on business relations, etc. For example, a manufacturer may buy 10,000 Opamps or bolds (detailed in RFQ) in span of 6 months, calls a distributors (mail RFQ, entered it online and email) who represents many brands and can supply 10,000 pieces of Opamps or bolds in 6 months and later negotiates the price, discount and delivery schedule and at the end the buyer emails or mails purchase order (or open ended purchase order) to seller for delivery of the pieces. An engineering firm/law office shop regularly for office supplies from

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different suppliers such as: OfficeMax, Office Depot, etc, and bargaining for best delivery and price on continuous bases and provide the supplier a purchase order for delivery. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Radjy and include resellers for procurement of goods/service efficiently and most cost effective.

Pyke disclose selecting (buying or decision) the best material-seller based on the collected transaction conditions [see 6 page article, specially pages 1-3 for "TPN" and best price, technology, delivery, quality and flexibility] to procure best material globally using trading network and Internet from qualified vendors. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Radjy and include the above features as disclosed by Pyke and known practice to procure best material globally using trading network and Internet from qualified vendors in most cost effective and efficiently using internet and global supply market.

Re. Claim 10, system claim 10 is rejected with same rational as of method claim 2 (reference stated supra).

Re. Claim 11, system claim 11 is rejected with same rational as of method claims 3-4 (reference stated supra). Note: Input data is inherent in Radjy system.

Re. Claim 12, Radjy discloses wherein said offering *means* comprises a specification

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database for storing specification information of the material which is sold by the best material-seller selected by said selecting *means*, and offers the specification information of the material stored in said specification database and the sales condition via the Internet [paragraphs 23, 87].

Re. Claims 13 and 16, Radjy discloses estimating *means* for accepting the request for quotation, which is inputted by said material-seller terminal, via the Internet and estimating the material which is designated by said material buyer in response to the accepted request for quotation; estimate offering *means* for offering the estimate made by said estimating *means* to the material-buyer terminal via the Internet; and order accepting *means* for accepting an order, of the material, which is inputted by said material-buyer terminal in response to the estimate offered by said estimate offering *means* [para. 95-98, see reference to claim 5]. Radjy does not explicitly disclose wherein said estimating *means* comprises: transportation cost calculating *means* for calculating a transportation cost required for transportation from the material seller to the material buyer, based on the destination of the material which is inputted by said material-buyer terminal. However, delivered products are known where the cost of transportation are included. For example, purchasing a computer on line, after the sale person provided the price of the computer it adds the tax and destination or shipping charges are added to the total. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Radjy and Pyke and include the above features to add surcharges to the invoice that the

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purchased product require for shipping which costs the seller to ship the product or material in addition of any tax and protect the seller for loss due to shipping cost.

Claim 14 is rejected under 35 U.S.C. 103(a) as being unpatentable over Radjy and Pyke as applied to claims 1, 13 above, and further in view of Wong (US 6,343,275).

Re. Claim 14, Wong disclose a procurement system and a unit-price database for storing unit-price information of the material; subtotal calculating *means* for calculating the subtotal of the material based on the unit-price information stored in said unit-price database and information on the purchased number of materials which is inputted by said material-buyer terminal; and resale total calculating *means* for calculating the resale total by adding a resale fee to the subtotal, of the material, which is calculated by said subtotal calculating *means* [col.1 lines 15-46; col. 13 lines 22-59] *to provide quotes and details applicable to the sale and let the buyer to confirm the term of the sale.* It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Radjy and Pyke and include the above features, as disclosed by Wong, to provide detail of the sale and allow the buyer to confirm it.

Claim 15 is rejected under 35 U.S.C. 103(a) as being unpatentable over Radjy, Pyke and Wong as applied to claims 1, 13, 14 above, and further in view of Horn.

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Re. Claim 15, Horn discloses wherein said estimating *means* comprises: an exchange conversion master for storing an exchange rate which is arbitrarily updated; and exchange converting *means* for exchange converting the subtotal of the material, which is calculated by said subtotal calculating *means*, based on the exchange rate stored in said exchange conversion master and a payment currency which is designated by the material (product) buyer [Abstract; col. 14 lines 12-28, col. 18 lines 25-37; - see *shipping, availability, etc.*] where use of global store will allow manufacturers tap on global market and expand customer bases, increase sale. Resellers margin or fees are known, for example, a retailer buys from whole-seller and added a margin or fee to the cost and resell it to be profitable. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosures of Radjy, Pyke, Wong and include the above features as described by Horn, to allow manufacturers to provide customized and personalized services to buyers who could specify product attributes and deliver exactly what the buyer wants and make a profit.

Claims 6-8 and 17-18 are rejected under 35 U.S.C. 103(a) as being unpatentable over Radjy and Pyke as applied to claims 1, 5, 9 above, and further in view of Horn et al. (hereinafter Horn – US 7,013,289).

Re. Claims 6-8, Pyke further discloses global outsourcing and global outsourcing inherent foreign currency rates and estimates due to change in currency rate. Horn discloses wherein said quotation is made by exchange converting the subtotal of

the material and adding a resale fee to the subtotal of the material which is exchange converted, acting for logistics and schedule control of the material after purchase order of said material buyer as an agent of said material seller, and offering, via the Internet, logistics information on the material after ordering, to said material buyer [Abstract; col. 14 lines 12-28, col. 18 lines 25-37; - see *shipping, availability, etc.*] where use of global store will allow manufacturers tap on global market and expand customer bases, increase sale. Resellers margin or fees are known, for example, a retailer buys from whole-seller and added a margin or fee to the cost and resell it to be profitable. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosures of Radjy, Pyke and include the above features as described by Horn, to allow manufacturers to provide customized and personalized services to buyers who could specify product attributes and deliver exactly what the buyer wants and make a profit.

Re. Claims 17-18, Radjy discloses managing *means* for acting for a management business of the material, after ordering, which is inputted by said material-buyer terminal as an agent of the material seller [para. 95-98 – see product management]. Horn discloses wherein said managing *means* obtains logistics information of the material after ordering, from said material-seller terminal via the Internet, and offers the logistics information on the obtained material to said material-buyer terminal via the Internet [Abstract; col. 14 lines 12-28, col. 18 lines 25-37; - see *shipping,*

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availability, etc.] where use of global store will allow manufacturers tap on global market and expand customer bases, increase sale. Resellers margin or fees are known, for example, a retailer buys from whole-seller and added a margin or fee to the cost and resell it to be profitable. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosures of Radjy, Pyke and include the above features as described by Horn, to allow manufacturers to provide customized and personalized services to buyers who could specify product attributes and deliver exactly what the buyer wants and make a profit.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Harish T. Dass whose telephone number is 571-272-6793. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P. Trammell can be reached on 571-272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Harish T Dass
Examiner
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Harish T Dass

12/4/06